
Minutes

Board of Natural Resources

December 6, 2005
Natural Resources Building, Olympia, Washington

BOARD MEMBERS PRESENT

Doug Sutherland, Commissioner of Public Lands

Bob Nichols for Governor Christine Gregoire

Ted Anderson, Commissioner, Skagit County

Bruce Bare, Dean, University of Washington, College of Forest Resources

Daniel J. Bernardo, Dean, Washington State University, College of Agricultural, Human, and Natural Resource Sciences

BOARD MEMBERS ABSENT

Terry Bergeson, Superintendent of Public Instruction

CALL TO ORDER

Chair Sutherland called the meeting to order at 9:00 a.m. on December 6, 2005, in Room 172 of the Natural Resources Building.

APPROVAL OF MINUTES

MOTION: Ted Anderson moved to approve the November 1, 2005, Board of Natural Resources Minutes.

SECOND: Bruce Bare seconded.

ACTION: Motion passed unanimously.

MOTION: Ted Anderson moved to approve the July 29, 2005, Board of Natural Resources Minutes.

SECOND: Bruce Bare seconded.

ACTION: Motion passed unanimously.

PUBLIC COMMENTS FOR AGENDA ACTION ITEMS

No Public Comment.

LAND TRANSACTIONS

Asotin 40 Direct Transfer - Parcel A #02-075650 (Handout 1)

Pam Plancich presented. She stated that both parcel A & B would be direct transfers and are located in Asotin County, about 20 miles southwest of Clarkston on the northeast corner of the Umatilla National Forest. The two isolated parcels are Common School Trust with no legal access. Parcel A is surrounded by Washington Department of Fish and Wildlife (WDFW) ownership and it has a \$105/per year grazing lease. Parcel B has three sides surrounded by WDFW and one side by the United States Forest Service;

it also has a grazing lease at \$105/per year. The direct transfer would have a total value of \$29,800 for the Common School Trust with \$16,000 for parcel A and \$13,800 for parcel B.

MOTION: Bruce Bare moved to approve Resolution #1183.

SECOND: Ted Anderson seconded.

ACTION: Motion passed unanimously.

Asotin 40 Direct Transfer - Parcel B #02-075649

MOTION: Ted Anderson moved to approve Resolution #1184.

SECOND: Bruce Bare seconded.

ACTION: Motion passed unanimously.

Kelly Hill Trespass #T3-077268 (Handout 2)

Ms. Plancich presented the Kelly Hill Trespass stating that it is located in Stevens County, 14 miles north of Kettle Falls. The land is Indemnity School Trust and is comprised of two acres. Kelly Hill Cemetery was first used in 1908 and has 166 gravesites with about 40+ of them on state land. This resolution would sell two acres south of McNitt Road with an appraised value of \$2,500 per acre. The Kelly Hill Cemetery Association would pay all costs.

MOTION: Bob Nichols moved to approve Resolution #1185.

SECOND: Ted Anderson seconded.

ACTION: Motion passed unanimously.

TIMBER SALES

Proposed Timber Sales for January 2006 (Handout 3)

Jon Tweedale presented. He began with a brief update on the market.

Marketing Update

- U.S. housing starts fell in October
 - o Home Construction down 5.6%
 - o Interest rates rising, 30 year mortgage at 6.3%
- Bio-mass plant in Oregon progressing
 - o \$10 million 20 mega watt biomass power plant won approval in La Pine in Central Oregon
- U.S. to cut duties on Canadian softwood imports.

Mr. Anderson talked about bio mass plants and the interest in logging debris.

Mr. Tweedale said he'd be interested in discussing that topic.

Mr. Anderson asked about the NAFTA decision.

Mr. Tweedale responded that it's a difficult read and he's heard that there's not a significant impact to either side. He said he would look into it and brief them at the next Board meeting.

November Sales Results:

10 sales offered & 10 sales sold; 26.9 mmbf offered & 26.9 mmbf sold; \$7.9 million minimum bid offered & \$9.4 million sold; \$296/mbf offered & \$349/mbf sold; 18% above minimum bid; average number of bidders=3.7.

Proposed January 2006 Board Sales

11 sales offered at 42.7 mmbf; \$13.4 million minimum bid; average \$315/mbf. Mr. Tweedale recommended all 11 sales at 42,658 mbf with a minimum bid of \$13,431,000 be approved for auction for the month of January 2006.

MOTION: Bruce Bare moved to approve the January 2006 Timber Sales.

SECOND: Ted Anderson seconded.

ACTION: Motion passed unanimously.

CHAIR REPORTS

Schutt Estate and Tideland Donation (Handout 4)

Ms. McNair came forward to brief the Board on an acceptance of a donation of five acres of undeveloped tidelands. The tidelands are located in Samish Bay, Skagit County. She explained that because these lands were originally conveyed into private ownership under the 1895 "Bush Act" for conveyance of oyster lands, they may automatically revert to state ownership upon abandonment of use for growing oysters. The present owners wish to have these lands revert to state, so this is an amicable exercise of an existing reversionary right. This is more expedient and less expensive for both parties than would be a gift of aquatic lands under RCW 79.105.410.

Ms. McNair added that no Board action is necessary because these lands revert to state ownership as a function of law.

Mr. Bare asked about the "Bush Act" and wondered if it was Federal or State.

Ms. McNair explained that it's a State Act. At Statehood the Federal Government conveyed shore lands and tidelands to the state and then the state sold off a lot of that but also wanted to do aquaculture. The Bush and Callow legislation allowed people to acquire these lands for aquaculture. If the lands are used for anything other than aquaculture the lands are automatically reverted to the state.

Modifications to the Rent Review Process

Ms. McNair explained that several months ago she had presented a summary of the modifications to the rent review process and was now ready to ask for Board approval for proposed changes to WAC 332.30.128. She said the purpose for making these changes is to extend filing and decision making times where required. She said there had been public comment, all in support of the changes, and no amendments to the rule were needed.

MOTION: Ted Anderson moved to approve Resolution #1186.

SECOND: Bruce Bare seconded.

ACTION: Motion passed unanimously

PUBLIC COMMENTS FOR GENERAL ITEMS OF INTEREST

No Public Comment.

EXECUTIVE SESSION (SHC)

The Board members recessed at 9:35 to enter Executive Session not to exceed one hour.

The Executive Session was extended by 45 minutes.

Chair Sutherland asked if there was anyone else present wishing to make comment before the Board?

Seeing none, hearing none.

Meeting adjourned at 11:23 a.m.

Approved this ____ day of _____, 2005

Doug Sutherland, Commissioner of Public Lands

Bob Nichols for Governor Christine Gregoire

Bruce Bare, Dean, University of Washington

Daniel J. Bernardo, Dean, Washington State University

Terry Bergeson, Superintendent of Public Instruction

Ted Anderson, Commissioner, Skagit County

Attest:

Sasha Lange, Board Coordinator